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MEMBERSHIP

May 10, 2024

Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (Under Japanese GAAP)

Company name: FEED ONE CO., LTD.
 Listing: Tokyo
 Securities code: 2060
 URL: <https://www.feed-one.co.jp/> (in Japanese)
 Representative: REPRESENTATIVE DIRECTOR, HIDEHIRO SHOJI
 PRESIDENT
 Inquiries: GENERAL MANAGER, KOJI MOCHIZUKI
 FINANCE & ACCOUNTING DIVISION,
 ADMINISTRATIVE UNIT
 Telephone: +81-45-311-2300
 Scheduled date of ordinary general meeting of shareholders: June 21, 2024
 Scheduled date to commence dividend payments: June 6, 2024
 Scheduled date to file annual securities report: June 21, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	313,875	1.9	7,748	444.6	7,737	352.2	5,084	393.2
March 31, 2023	307,911	26.6	1,422	(66.9)	1,711	(66.2)	1,030	(71.8)

Note: Comprehensive income For the fiscal year ended March 31, 2024: ¥6,431 million [356.5%]
 For the fiscal year ended March 31, 2023: ¥1,408 million [(64.0)%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
March 31, 2024	132.97	–	10.7	6.0	2.5
March 31, 2023	27.01	–	2.3	1.4	0.5

Reference: Share of profit (loss) of entities accounted for using equity method
 For the fiscal year ended March 31, 2024: ¥(312) million
 For the fiscal year ended March 31, 2023: ¥(42) million

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2024	131,038	50,856	38.4	1,314.03
March 31, 2023	127,913	45,314	35.0	1,172.57

Reference: Equity

As of March 31, 2024: ¥50,280 million

As of March 31, 2023: ¥44,768 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2024	11,138	(2,168)	(5,474)	10,817
March 31, 2023	(7,816)	(1,187)	12,881	7,322

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2023	–	12.50	–	12.50	25.00	960	92.6	2.1
Fiscal year ended March 31, 2024	–	12.50	–	14.50	27.00	1,037	20.3	2.2
Fiscal year ending March 31, 2025 (Forecast)	–	13.50	–	13.50	27.00		23.0	

Note: Total cash dividends includes dividends (¥6 million for the fiscal year ended March 31, 2023, and ¥4 million for the fiscal year ended March 31, 2024) for shares of the Company held by Custody Bank of Japan, Ltd. (Trust Account) as the trust assets for the “trust for share-based remuneration for directors (and other officers).”

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	307,000	(2.2)	6,100	(21.3)	6,300	(18.6)	4,500	(11.5)	117.60

* **Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
 - (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None
- (3) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2024	38,477,128 shares
As of March 31, 2023	38,477,128 shares

- (ii) Number of treasury shares at the end of the period

As of March 31, 2024	212,836 shares
As of March 31, 2023	297,519 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2024	38,235,630 shares
Fiscal year ended March 31, 2023	38,166,314 shares

Note: The number of treasury shares excluded from the calculation of the number of treasury shares at the end of the period and the average number of shares outstanding during the period includes shares of the Company (166,960 shares for the fiscal year ended March 31, 2024, and 253,960 shares for the fiscal year ended March 31, 2023) held by Custody Bank of Japan, Ltd. (Trust Account) as the trust assets for the “trust for share-based remuneration for directors (and other officers).”

- * Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.
- * Proper use of earnings forecasts, and other special matters

Caution regarding forward-looking statements, etc.

The forward-looking statements contained in this report, including earnings forecasts, are based on information currently available to the Company and certain assumptions that management believes to be reasonable. Actual financial and other results may differ substantially due to various factors.

How to acquire the Supplementary Materials for Financial Results and Financial Results Briefing content

The Supplementary Materials for Financial Results are disclosed via TDnet on the same day, and are posted to the Company’s website as well. The Company plans to hold a Financial Results Briefing and medium-term management plan presentation for institutional investors and analysts on Tuesday, May 21, 2024 in a hybrid format with on-site and live streaming, and the content of this briefing will be posted on the Company’s website immediately after the briefing.

Consolidated financial statements**(1) Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	7,379	10,876
Notes and accounts receivable - trade	51,375	51,829
Electronically recorded monetary claims - operating	3,885	5,149
Merchandise and finished goods	3,070	2,856
Raw materials and supplies	17,156	14,041
Animals	357	408
Other	2,791	3,335
Allowance for doubtful accounts	(180)	(292)
Total current assets	85,836	88,204
Non-current assets		
Property, plant and equipment		
Buildings and structures	24,177	24,195
Accumulated depreciation	(11,174)	(11,793)
Buildings and structures, net	13,002	12,401
Machinery, equipment and vehicles	29,123	29,792
Accumulated depreciation	(17,905)	(19,613)
Machinery, equipment and vehicles, net	11,217	10,179
Land	6,114	6,265
Leased assets	1,045	1,089
Accumulated depreciation	(318)	(401)
Leased assets, net	727	687
Construction in progress	68	167
Other	2,137	2,205
Accumulated depreciation	(1,599)	(1,725)
Other, net	538	480
Total property, plant and equipment	31,668	30,181
Intangible assets		
Other	916	1,542
Total intangible assets	916	1,542
Investments and other assets		
Investment securities	8,531	10,143
Long-term loans receivable	12	1
Distressed receivables	327	252
Deferred tax assets	274	199
Other	702	681
Allowance for doubtful accounts	(356)	(169)
Total investments and other assets	9,491	11,109
Total non-current assets	42,076	42,834
Total assets	127,913	131,038

FEED ONE CO., LTD. (2060) Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2024

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	36,482	34,360
Short-term borrowings	16,803	10,580
Lease liabilities	126	133
Income taxes payable	467	2,262
Provision for bonuses	558	772
Asset retirement obligations	—	77
Other	5,636	6,933
Total current liabilities	60,074	55,121
Non-current liabilities		
Long-term borrowings	19,208	21,178
Lease liabilities	658	602
Deferred tax liabilities	203	685
Provision for share awards for directors (and other officers)	173	111
Retirement benefit liability	2,234	2,313
Asset retirement obligations	3	3
Liabilities from application of equity method	—	119
Other	42	46
Total non-current liabilities	22,523	25,060
Total liabilities	82,598	80,182
Net assets		
Shareholders' equity		
Share capital	10,000	10,000
Capital surplus	9,737	9,737
Retained earnings	23,952	28,075
Treasury shares	(244)	(173)
Total shareholders' equity	43,445	47,639
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,229	2,316
Deferred gains or losses on hedges	32	139
Foreign currency translation adjustment	61	213
Remeasurements of defined benefit plans	(0)	(28)
Total accumulated other comprehensive income	1,323	2,640
Non-controlling interests	546	576
Total net assets	45,314	50,856
Total liabilities and net assets	127,913	131,038

(2) Consolidated statements of income and comprehensive income
(Consolidated statements of income)

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	307,911	313,875
Cost of sales	285,218	283,153
Gross profit	22,693	30,721
Selling, general and administrative expenses	21,270	22,972
Operating profit	1,422	7,748
Non-operating income		
Interest income	10	8
Dividend income	145	156
Stockpile storage revenue	141	136
Other	373	233
Total non-operating income	670	535
Non-operating expenses		
Interest expenses	158	183
Share of loss of entities accounted for using equity method	42	312
Other	181	49
Total non-operating expenses	382	545
Ordinary profit	1,711	7,737
Extraordinary income		
Gain on sale of non-current assets	37	15
Gain on sale of investment securities	305	206
Subsidy income	61	—
Total extraordinary income	404	221
Extraordinary losses		
Loss on sale of non-current assets	13	20
Loss on retirement of non-current assets	43	46
Impairment losses	208	204
Loss on cancellation of leases	—	0
Loss on liquidation of subsidiaries	0	—
Loss on valuation of investment securities	—	2
Loss on closing of factory	211	149
Loss on sale of membership	—	11
Total extraordinary losses	476	434
Profit before income taxes	1,639	7,524
Income taxes - current	492	2,363
Income taxes - deferred	103	46
Total income taxes	596	2,410
Profit	1,042	5,113
Profit attributable to non-controlling interests	12	29
Profit attributable to owners of parent	1,030	5,084

(Consolidated statements of comprehensive income)

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit	1,042	5,113
Other comprehensive income		
Valuation difference on available-for-sale securities	280	1,087
Deferred gains or losses on hedges	(39)	106
Remeasurements of defined benefit plans, net of tax	60	(27)
Share of other comprehensive income of entities accounted for using equity method	63	151
Total other comprehensive income	365	1,317
Comprehensive income	1,408	6,431
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,396	6,401
Comprehensive income attributable to non-controlling interests	12	29

(3) Consolidated statements of changes in equity

Fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,000	9,737	23,882	(271)	43,348
Changes during period					
Dividends of surplus			(960)		(960)
Profit attributable to owners of parent			1,030		1,030
Purchase of treasury shares				(1)	(1)
Disposal of treasury stock by stock benefit trust				27	27
Net changes in items other than shareholders' equity					
Total changes during period	—	—	69	26	96
Balance at end of period	10,000	9,737	23,952	(244)	43,445

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	948	72	(1)	(61)	957	534	44,840
Changes during period							
Dividends of surplus							(960)
Profit attributable to owners of parent							1,030
Purchase of treasury shares							(1)
Disposal of treasury stock by stock benefit trust							27
Net changes in items other than shareholders' equity	280	(39)	63	60	365	12	377
Total changes during period	280	(39)	63	60	365	12	474
Balance at end of period	1,229	32	61	(0)	1,323	546	45,314

Fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,000	9,737	23,952	(244)	43,445
Changes during period					
Dividends of surplus			(960)		(960)
Profit attributable to owners of parent			5,084		5,084
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares		0		0	0
Disposal of treasury stock by stock benefit trust				73	73
Net changes in items other than shareholders' equity					
Total changes during period	—	0	4,123	71	4,194
Balance at end of period	10,000	9,737	28,075	(173)	47,639

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,229	32	61	(0)	1,323	546	45,314
Changes during period							
Dividends of surplus							(960)
Profit attributable to owners of parent							5,084
Purchase of treasury shares							(1)
Disposal of treasury shares							0
Disposal of treasury stock by stock benefit trust							73
Net changes in items other than shareholders' equity	1,087	106	151	(27)	1,317	29	1,347
Total changes during period	1,087	106	151	(27)	1,317	29	5,542
Balance at end of period	2,316	139	213	(28)	2,640	576	50,856

(4) Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	1,639	7,524
Depreciation	3,235	3,291
Impairment losses	208	204
Share of loss (profit) of entities accounted for using equity method	42	312
Increase (decrease) in allowance for doubtful accounts	242	125
Increase (decrease) in provision for bonuses	(127)	214
Increase (decrease) in retirement benefit liability	127	39
Increase (decrease) in provision for share awards for directors (and other officers)	16	(62)
Interest and dividend income	(155)	(165)
Interest expenses	158	183
Loss (gain) on valuation of investment securities	—	2
Loss (gain) on sale of investment securities	(305)	(206)
Loss on liquidation of subsidiaries	0	—
Loss (gain) on sale and retirement of non-current assets	19	51
Subsidy income	(61)	—
Loss (gain) on sale of membership	—	11
Decrease (increase) in trade receivables	(12,565)	(1,759)
Decrease (increase) in inventories	(4,635)	3,278
Increase (decrease) in trade payables	5,579	(2,114)
Other, net	(696)	726
Subtotal	(7,278)	11,658
Income taxes paid	(538)	(519)
Net cash provided by (used in) operating activities	(7,816)	11,138
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(2,070)	(2,649)
Proceeds from sale of property, plant and equipment and intangible assets	101	59
Purchase of investment securities	(4)	(4)
Proceeds from sale of investment securities	484	432
Proceeds from liquidation of subsidiaries	6	—
Loan advances	(25)	(150)
Proceeds from collection of loans receivable	168	12
Proceeds from subsidy income	1	—
Interest and dividends received	162	175
Other, net	(12)	(44)
Net cash provided by (used in) investing activities	(1,187)	(2,168)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	5,560	(6,287)
Proceeds from long-term borrowings	10,500	3,850
Repayments of long-term borrowings	(1,877)	(1,815)
Interest paid	(147)	(186)
Dividends paid	(967)	(963)
Repayments of lease liabilities	(132)	(129)
Commission fee paid	(78)	(14)
Purchase of treasury shares	(1)	(1)
Proceeds from sale of treasury shares	27	73
Net cash provided by (used in) financing activities	12,881	(5,474)

FEED ONE CO., LTD. (2060) Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2024

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net increase (decrease) in cash and cash equivalents	3,877	3,495
Cash and cash equivalents at beginning of period	3,444	7,322
Cash and cash equivalents at end of period	7,322	10,817